



# *Proposed Tire Broker Regulations*

**Informal Workshop II**

*Tuesday, March 15, 2016*

# Today's Workshop

- ▶ Webcast for this workshop is available at [www.calrecycle.ca.gov/Broadcast/](http://www.calrecycle.ca.gov/Broadcast/)
- ▶ Submit questions during this presentation to [WasteTires@calrecycle.ca.gov](mailto:WasteTires@calrecycle.ca.gov)
- ▶ Information about this proposed rulemaking is available on our website at [www.calrecycle.ca.gov/Laws/Rulemaking/TireBrokers/](http://www.calrecycle.ca.gov/Laws/Rulemaking/TireBrokers/)

# Agenda

- ▶ Overview of Workshop Objectives
- ▶ Review Statutory Requirements and the Proposed Regulatory Approach
- ▶ Stakeholder Input/Q&A  
[via email ([wastetires@calrecycle.ca.gov](mailto:wastetires@calrecycle.ca.gov)) and written comments]
- ▶ Next Steps

# Workshop Objectives

- ▶ To inform potentially affected businesses about the law and the rulemaking process.
- ▶ To solicit interest in participating in a working group of potentially affected businesses.
- ▶ To solicit input/suggestions/concerns/questions regarding the proposed regulatory changes.

# The Law

## AB 1647 (Gordon)

- ▶ Passed in 2012 and took effect 1/1/2013.
- ▶ Established requirements for tire brokers.

## AB 501 (Nazarian)

- ▶ Passed in 2013.
- ▶ Excluded from definition of tire brokers:
  - Tire retailers (those primarily engaged in the retail sale, service, and installation of new tires on customer vehicles).
  - Vehicle dealers.

# *The Law—Tire Broker Definition*

## **PRC §42950(i)**

"Tire broker" means a person that arranges for the shipment of used or waste tires to or from a site located within the state, or through the state, as that term may be further defined by the department by regulation.

"Tire broker" does not include a tire retailer primarily engaged in the retail sale, service, and installation of new tires on customer vehicles, or a vehicle dealer, as defined in Section 285 of the Vehicle Code.

# *The Law—Registration*

## **PRC §42952(b)**

A tire broker shall register with the department.

## **PRC §42957**

An application for a new or renewed tire broker registration shall be made in a format approved by the department. The application shall include, but not be limited to, all of the following:

- a. The business name under which the tire broker operates, and the business owner's name, address, and telephone number.
- b. Other business names under which the tire broker operates.
- c. Any additional information required by the department.

# *The Law—Reporting*

## **PRC §42961.7**

- a. A tire broker shall submit periodic information to the department on the used or waste tires arranged to be shipped by the tire broker to, from, or through the state.
- b. The department shall specify the schedule for the submission of the information required by subdivision (a) and the manner in which the information shall be provided to the department.

# Proposed Regulatory Approach

2015 / 2016

- ▶ Inform potentially affected businesses about the requirements of the law and the current rulemaking process.
- ▶ Provide opportunities for these businesses to provide input and ask questions throughout the process.
- ▶ Establish a working group consisting of Industry and Government
- ▶ Conduct additional workshop(s)
- ▶ Review draft Tire Broker regulations
- ▶ Start the Formal Rulemaking process

*Proposed Tire Broker Regulations*

# Formal Rulemaking Process

- ▶ Submit the draft rulemaking package to the Office of Administrative Law (OAL) and distribute a Notice of Proposed Rulemaking.
- ▶ Conduct a 45-day public comment period to solicit formal comments and concerns from all interested stakeholders.
- ▶ Hold a public hearing.
- ▶ Consider all comments received and propose changes to the proposed regulations as appropriate.
- ▶ Conduct additional public comment periods as needed.
- ▶ Finalize, approve and submit the final rulemaking package to OAL for approval.

# *Regulatory Text*

## § 18466. Definitions

- “Complete and Correct” means all the information provided by the registrant regarding the tire broker registration is accurate, exact, and fully describes all parameters of the tire broker’s business.
- “Electronic Report” means electronic submittal of information to the Department by means of a web-based data entry, in accordance with the requirements set forth by CalRecycle.

# *Regulatory Text*

## § 18466. Definitions (con't)

- “Tire Broker” means a person, other than the buyer or seller of the used or waste tires, who arranges for the shipment of used or waste tires to or from any site located within the state, or through the state where the shipment of tires is destined for another state, country, or port of call. “Tire broker does not include a tire retailer primarily engaged in the retail sale, service, and installation of new tires on customer vehicles, or a vehicle dealer, as defined in Section 285 of the Vehicle Code.

# *Regulatory Text*

## § 18466. Definitions (con't)

- “Tire Broker Registration” means the document issued by the Department certifying an entity as a Tire Broker as required by this Article.

# *Regulatory Text*



## **§ 18467 Tire Broker Registration Application**

- (a) A Tire Broker Application may be submitted by providing either a hard copy of the required information or online through a web-based data entry system managed by the Department. Such information shall include:

# Regulatory Text

## § 18467 Tire Broker Registration Application (con't)

- (1) Business Name under which the tire broker operates.
- (2) Business Address under which the tire broker operates.
- (3) Mailing Address, if different from business address.
- (4) Business Phone Number and/or Email Address.
- (5) Business Owner's Name and Address (*if different from number 1 and 2*).

# *Regulatory Text*

## § 18467 Tire Broker Registration Application (con't)

- (6) Name of Primary Contact (person responsible on a daily basis for tire broker-related activities).
- (7) A statement that certifies under penalty of perjury that the registrant has personal knowledge that the information in the Tire Broker Registration Application is true and correct to the best of their knowledge and belief.

# *Regulatory Text*

## § 18467 Tire Broker Registration Application (con't)

- (b) The Department shall inform the registrant in writing within thirty (30) days from the date of receipt that the tire broker registration application is either:
  - (1) complete and correct, or
  - (2) incomplete
- (c) If the Department determines that a tire broker registration application is not complete and/or correct, the Department notify the tire broker in writing of the deficiencies to be corrected. The tire broker shall have thirty (30) days to correct the deficiencies and resubmit a complete and correct tire broker registration application.

# *Regulatory Text*

## **§ 18467 Tire Broker Registration Application (con't)**

(d) Once the Department determines that a tire broker registration application is complete and correct, the Department shall issue a non-transferable tire broker registration.

# *Regulatory Text*

## § 18467 Tire Broker Registration Application (con't)

- (e) Any person acting as a tire broker shall register with the Department within sixty (60) days of enactment of this Article.
  
- (f) Any person commencing work as a new tire broker after enactment of this Article shall register with the Department within thirty (30) days.

# *Regulatory Text*

## **§ 18467.1 Tire Broker Registration Renewal**

- (a) A tire broker shall renew their tire broker registration with the Department no later than 5 years from the issuance date of the current tire broker's registration, by submitting a new tire broker registration application that reflects the tire broker's current business information.

# *Regulatory Text*



## § 18467.1 Tire Broker Registration Renewal (con't)

- (b) A tire broker shall notify the Department of any change in the business name, business owner, business address, mailing address, primary contact, or phone number within ten (10) days after the change.
- (c) A tire broker shall notify the Department within thirty (30) days after the tire broker ceases to act as a tire broker.

# *Regulatory Text*

## § 18468 Tire Broker Reporting

- (a) The tire broker shall report to the Department on a annual basis the following information for shipments of used or waste tires that were arranged by the tire broker and shipped during that preceding year:

# *Regulatory Text*

## § 18468 Tire Broker Reporting (con't)

- (1) The total amount of used or waste tires shipped to or from any site located within the state during that reporting year.
- (2) The total amount of used or waste tires shipped through the state where the shipment of used or waste tires was destined for another state, country, or port of call.

# *Regulatory Text*

## § 18468 Tire Broker Reporting

- (3) How the shipments were transported (i.e. rail, roadway, air).
- (4) Total quantity of used or waste tires transported during the reporting year measured by whole tire count, cubic yards, lbs., or tons.
- (5) Type of used or waste tires transported [i.e. passenger, truck, altered, or off the road (OTR)].

# *Regulatory Text*

## **§ 18468 Tire Broker Reporting (con't)**

- (6) The destination sites of the used or waste tire shipments during the reporting year.
- (7) The origin sites of the used or waste tire shipments during the reporting year.
- (b) The tire broker shall not be required to report on shipments of used and waste tires that are documented by a Comprehensive Trip Log (CTL) form that is prepared and submitted to the Department pursuant to Article 8.5 of this chapter.

# *Regulatory Text*

## §18469 Amount of Civil Penalties and Administrative Penalty Schedule

(a) For violations of this Article, civil penalties may be imposed administratively in accordance with Penalty Table I and the following:

- (1) Determine what violations have occurred.
- (2) Determine the number of offenses per violation that have occurred.
- (3) Add up the penalties to determine the applicable penalty.

# Amount of Civil Penalties and Administrative Penalty Schedule

## Penalty Table I

Violation	Description of Violation	< 30 days past due date	30-60 days past due date	>60 days past due date
PRC §42952(b) or 14 CCR §18467	Failure to register as a Tire Broker with the Department.	\$1,000-\$2,000	\$2,000-\$4,000	\$4,000-\$5,000
PRC §42957 or 14 CCR §18467.1	Failure to renew as a Tire Broker with the Department.	\$1,000-\$2,000	\$2,000-\$4,000	\$4,000-\$5,000
PRC §42957 or 14 CCR §18467.1(b)	Failure to notify the Department of required information for the Tire Broker Registration or failure to notify the Department of any changes in information provided on the Tire Broker Registration application within 10 days.	\$100-\$300	\$500-\$1,000	\$1,500-\$2,000
PRC §42961.7 or 14 CCR §18468	Failure to report tires being brokered to, from, or through the state on a quarterly basis, or providing missing, incomplete or false information.	\$100-\$500	\$500-\$1,000	\$1,500-\$2,500

# *Stay Informed*

If you are interested in the tire broker regulations and wish to stay informed throughout the process, there are two excellent ways to do that:

- ▶ **Visit and bookmark our Rulemaking website**

[www.calrecycle.ca.gov/Laws/Rulemaking/TireBrokers](http://www.calrecycle.ca.gov/Laws/Rulemaking/TireBrokers)

During the rulemaking effort, all documents pertaining to the new regulations will be posted here, including notices about public comment periods, public hearings, and other opportunities for you to participate in the rulemaking process. So please, check back often!

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# Stay Informed (con't)

- ▶ Sign up for the Waste Tire Rulemaking listserv

[www.calrecycle.ca.gov/Listservs/Subscribe.aspx?ListID=97](http://www.calrecycle.ca.gov/Listservs/Subscribe.aspx?ListID=97)

Following this initial notice, CalRecycle will use this listserv as the primary way to stay in touch with all interested parties during the development of the tire broker regulations.

Sign up today!

# *Send Us Your Comments*

Please submit any other comments, questions, or concerns you have after attending today's presentation by March 31, 2016:

*By email to:*

[Jean.Whalen@calrecycle.ca.gov](mailto:Jean.Whalen@calrecycle.ca.gov)

*By mail to:*

CalRecycle, Tire Hauler Compliance Unit  
P.O. Box 4025  
Sacramento, CA 95812  
Attn: Jean Whalen

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Questions ?

Thank You!